

Housing Policy Priorities – Talking points

We believe these policies can play an important role in meeting the requirements of this housing element and supporting thriving communities:

Favorable Zoning and Land Use

- Make multifamily infill easier to develop
 - Many existing codes and development standards were established at a time when the creation of multifamily housing was not a priority.
 - Density and height limits, minimum lot sizes, setbacks, parking requirements and other standards often serve to limit the capacity and development feasibility of many sites theoretically zoned for multifamily housing.
 - To support multifamily development, we can take steps to review and adjust these requirements, replace subjective standards with objective ones, and link new codes and requirements to a straightforward approvals process.
- Allow, require or encourage multifamily housing in more places
 - Some/Several zones in [JURISDICTION] prohibit or limit multifamily housing uses.
 - The existing zoning in [LIST APPROPRIATE NEIGHBORHOOD TYPES / ZONING DISTRICTS – MIGHT INCLUDE MIXED-USE ZONES OR EXISTING COMMERCIAL-ONLY ZONES] could be updated to allow or require multifamily housing in certain locations.
- Allow or encourage missing middle housing in single-family neighborhoods
 - In single-family neighborhoods where there is capacity to grow, [JURISDICTION] can adjust the zoning to allow for the creation of additional ADUs, duplexes, triplexes and other small-scale multifamily in single-family neighborhoods.
 - This type of housing is often referred to as "missing middle housing" – falling in between single-family homes and larger mid-rise condominium or apartment buildings that have been more commonly built over the last several decades.
 - Design and development standards can ensure that these additional units are designed to complement and fit into the existing neighborhood context.
- Provide incentives for affordable housing development
 - Jurisdictions can provide incentives and concessions to make it easier to develop deed-restricted affordable housing, whether smoothing the path for developers focused on 100% affordable housing or rewarding market-rate developers voluntarily exceeding inclusionary requirements.
 - Policies could include creating an affordable housing overlay that provides targeted incentives that go beyond state density bonus law.
 - Incentives might include zoning concessions and fee exemptions.
- Provide incentives for affordable ADUs and "missing middle" housing
 - ADUs and missing middle housing types may often be offered at a more "naturally" affordable market rent due to a variety of reasons, including size, configuration and the unique nature of the landlord-tenant relationship when the landlord lives onsite.
 - However, many jurisdictions are looking at going even further, to encourage the creation of *deed-restricted* affordable ADUs and missing middle housing. [JURISDICTION] could consider programs that (a) provide low-interest loans to homeowners that agree to deed-

restrict the property for a certain number of years, (b) provide density bonuses to small property owners that commit to deed-restrictions, (c) offer specific privileges and land use concessions to housing nonprofits working on affordable ADUs and small-scale multifamily.

Accelerating Production Timeframes

- Streamline development approvals and environmental review process for multifamily housing
 - SB 35 has been a mixed bag for [JURISDICTION or "local jurisdictions"]. While it has frustrated many, it has also resulted in the faster delivery of affordable housing in many places. In addition, objective design standards ensure developments proposed under state laws like SB 35 or the Housing Accountability Act are of excellent design quality and complement our community. An added bonus is that high-quality development can get built more quickly.
 - [JURISDICTION] may want to consider extending a similar approach to more types of multifamily infill housing, pairing clear rules and standards with a less discretionary process.
- Streamline permitting process for multifamily housing
 - Feedback from stakeholders has sometimes indicated that the permitting process across departments in [JURISDICTION] is uncoordinated and unwieldy. We could review our existing process and develop a streamlined permitting process to avoid duplicative review and facilitate coordination/conflict between departments.
 - We could also decide to prioritize a certain category of housing such as ADUs or affordable housing to process those permits more quickly.

Reducing Construction and Development Costs

- Ensure local requirements are not making development more expensive without requisite benefits
 - Local jurisdictions have limited levers to reduce construction and development costs for housing overall. We have little ability to impact the cost of labor, materials, and limited ability to lower the cost of land acquisition.
 - One thing [JURISDICTION] can do is take a close look at our own requirements and standards and ensure the benefits outweigh the costs.
- Actively support the use of modular and factory-built construction methods
 - Modular and factory-built construction has promise for lowering the cost of construction, but it still faces barriers as an industry.
 - The permitting of modular and manufactured housing is overseen by the state rather [JURISDICTION's] local building department. Statewide, there are indications that local building departments often put up barriers to utilizing modular and factory-built methods by imposing additional or duplicative layers of inspections or requirements.
 - Our jurisdiction should ensure that our process for approving the site aspects of a modular or factory-built construction project is simple and straightforward and complements rather than complicates the state's permitting process.

Providing Financial Subsidies

- Generate new or dedicate existing revenue for affordable housing
 - The creation of deed-restricted affordable housing for lower- and moderate-income households requires public and philanthropic funding to fill the gap between what traditional lending can support and what it costs to develop or preserve housing.

- Financial and political support from [JURISDICTION] is critical for these projects. State and federal funding sources will usually require local commitments before they will participate.
- In addition to the revenue from inclusionary in-lieu fees or commercial linkage fees, [JURISDICTION] may want to explore new or increased taxes to generate dedicated revenue for affordable housing. This could include sales tax increases, bonds, transient occupancy taxes, parcel taxes, head taxes, business license (landlord) taxes, vacancy taxes, etc.
- In addition to generating new revenue, [JURISDICTION] may have existing revenue, including general fund dollars, that could be dedicated to affordable housing uses.
- Some jurisdictions in the Bay Area have established set-asides for affordable housing from their general fund in order to maintain a consistent funding stream over time.

Advocating for Rent Control and Just Cause for Eviction Policies

- Adopt or update rent stabilization policies
 - Rent stabilization (sometimes referred to as "rent control") policies protect tenants from sharp increases in housing costs by regulating the amount that rents can be raised. This can stem displacement and stabilize neighborhoods as well as protect individual households.
 - California's Tenant Protection Act of 2019 (AB 1482) set a temporary limit on exorbitant rent increases. This provides a baseline level of protection for many – but not all – households across the state. These protections could be expanded, and tailored to local conditions, by local ordinance
 - [JURISDICTION] can consider a smaller allowable annual rent increase or adopting a local ordinance that does not sunset in 2030.
 - Dedicating funding and resources toward tenant and landlord education and enforcement can also avoid unnecessary court cases and disruption to households.
- Adopt or update just cause eviction policies
 - "Just cause" eviction policies limit the reasons for which landlords can evict tenants, typically nonpayment of rent, damage to the unit or material noncompliance with lease terms. They also create process and procedures that landlords must follow. This can stem displacement and stabilize neighborhoods as well as protect individual households.
 - California's Tenant Protection Act of 2019 (AB 1482) created temporary just cause eviction protections statewide, but it does not apply to all buildings or all tenants.
 - [JURISDICTION] could take several steps to strengthen the state's protections, including passing a permanent local ordinance, allowing tenants to be eligible immediately, closing the "substantial remodel" loophole, and expanding which properties are eligible.

Advocating for Community Land Trusts (CLTs)

- Support the formation and operation of community land trusts (CLTs)
 - Community land trusts (CLTs) are community-governed organizations (usually nonprofits) that own and steward land and property for the long-term benefit of the community.
 - CLTs may develop, own and steward land for residential (owner-occupied and rental), commercial, agricultural and open space uses. In partnership with public agencies, CLTs can be long-term stewards of land and property, including maintaining housing affordability.
 - While some CLTs have existed for several decades, interest in CLTs is growing. Public support for CLTs could help the sector grow and stabilize.

- [JURISDICTION] could take several steps to financially and politically support the development of new and existing CLTs, ensure CLTs are eligible for affordable housing funding and other resources, and partner with CLTs to steward the long-term affordability of the [JURISDICTION]'s portfolio.

Advocating for Inclusionary Zoning and Impact Fees

- Create or review/update inclusionary housing (including in-lieu fees) and commercial linkage fee requirements
 - Inclusionary housing policies require and/or incentivize market-rate housing development to include an affordable component. Inclusionary housing requirements usually take the form of a percentage of units (for example, 15% of the development's units must be available to households with incomes below 80% of area median income). Policies may include requirements for low and moderate income units, and they may specify alternatives to "on-site" compliance, including fees in-lieu of units, options to provide affordable units offsite, and land dedication.
 - Commercial linkage fee requirements require new commercial development to pay a fee toward affordable housing to mitigate increased housing demand by new workers. Commercial linkage fees are usually calculated on a \$ per square foot basis and may vary according to the non-residential use (office vs. R&D vs. retail).
 - These are important baseline policies for ensuring a community offers some housing options for people with different incomes and making a connection between new employment growth and new housing development.
 - If a community already has an inclusionary housing policy, it is important to periodically review and revise the requirement if appropriate. Inclusionary requirements work best when set at a level that results in significant affordable housing but is not so high that it hinders development overall.

Inventory of Sites

- Ensure that land is equitably zoned for multifamily housing, especially in high-opportunity areas
 - The sites inventory is one of the most important components of the housing element. Jurisdictions must identify sites that are suitable for new housing and likely to develop or redevelop during the 8-year housing element cycle. In addition, we must consider equity and the requirement to affirmatively further fair housing.
 - [JURISDICTION] must consider many different ways to support equitable siting of affordable housing and other investments. This may include ideas like rezoning sites in high-resource areas for multifamily housing, setting aside publicly-owned land in high opportunity areas for affordable housing, and developing a policy to guide the equitable siting of affordable housing within [JURISDICTION].